

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2002

	October-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Allocation				Allocation				Quarter			
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
<i>AllianceBernstein</i>	454,531	2.2%	2.6%	8.06%	421,421	2.1%	2.6%	-13.56%	-6.60%	-28.98%	-16.11%	N/A
<i>Russell 1000 Growth</i>				9.17%				-15.05%	-7.26%	-26.49%	-16.15%	N/A
<i>Structured Value</i>												
<i>LSV</i>	976,091	4.8%	5.1%	2.42%	953,808	4.8%	5.1%	-18.29%	-16.32%	2.72%	5.54%	N/A
<i>Russell 1000 Value</i>				7.41%				-18.77%	-12.75%	-8.96%	-4.87%	N/A
<i>Enhanced Russell 1000 Index</i>												
<i>LA Capital (Wilshire)</i>	970,215	4.8%	5.1%	7.44%	904,796	4.6%	5.1%	-16.27%	-10.04%	-17.00%	N/A	N/A
<i>Russell 1000</i>				8.31%				-16.91%	-10.01%	-17.89%	N/A	N/A
<i>Enhanced S&P 500 Index</i>												
<i>Northern Trust</i>	948,484	4.6%	5.1%	8.71%	874,537	4.4%	5.1%	-16.71%	-9.45%	-16.98%	N/A	N/A
<i>Strong</i>	945,255	4.6%	5.1%	9.05%	868,909	4.4%	5.1%	-16.75%	-9.21%	-20.23%	N/A	N/A
<i>Westridge</i>	1,176,538	5.8%	5.1%	8.84%	1,088,587	5.5%	5.1%	-17.19%	-9.87%	-17.54%	N/A	N/A
<i>Total Enhanced S&P 500 Index</i>	3,070,277	15.0%	15.4%	8.86%	2,832,032	14.3%	15.4%	-16.88%	-9.51%	-18.23%	N/A	N/A
<i>S&P 500</i>				8.80%				-17.28%	-10.00%	-17.98%	N/A	N/A
<i>S&P 500 Index</i>												
<i>State Street</i>	1,071,007	5.2%	6.0%	8.81%	986,425	5.0%	6.0%	-17.26%	-9.97%	-17.96%	-9.14%	3.67%
<i>S&P 500</i>				8.80%				-17.28%	-10.00%	-17.98%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	6,542,121	32.0%	34.3%	7.58%	6,098,483	30.7%	34.3%	-16.78%	-10.47%	-17.13%	-9.48%	2.68%
<i>S&P 500</i>				8.80%				-17.28%	-10.00%	-17.98%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
<i>SEI</i>	2,077,412	10.2%	10.7%	2.46%	2,027,032	10.2%	10.7%	-19.10%	-17.11%	-11.87%	N/A	N/A
<i>Russell 2000 + 200bp</i>				3.38%				-20.90%	-18.23%	-6.68%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	2,077,412	10.2%	10.7%	2.46%	2,027,032	10.2%	10.7%	-19.10%	-17.11%	-11.87%	1.18%	1.95%
<i>Russell 2000</i>				3.21%				-21.40%	-18.88%	-8.59%	1.67%	4.44%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
<i>State Street</i>	103,836	0.5%	0.6%	5.13%	98,752	0.5%	0.6%	-19.99%	-15.88%	-11.74%	-6.76%	-2.26%
<i>MSCI EAFE - 50% Hedged</i>				5.40%				-20.02%	-15.70%	-14.62%	-5.75%	0.27%
<i>Large Cap - Active</i>												
<i>Capital Guardian</i>	278,618	1.4%	1.5%	8.23%	257,494	1.3%	1.5%	-21.50%	-15.03%	-13.17%	-1.00%	5.76%
<i>Bank of Ireland</i>	60,260	0.3%	0.3%	8.12%	55,712	0.3%	0.3%	-21.60%	-15.24%	N/A	N/A	N/A
<i>Total Large Cap - Active</i>	338,878	1.7%	1.8%	8.21%	313,206	1.6%	1.8%	-21.51%	-15.07%	-12.19%	-0.63%	6.00%
<i>MSCI EAFE - 50% Hedged</i>				5.40%				-20.02%	-15.70%	-14.62%	-5.75%	0.27%
<i>Small Cap - Active</i>												
<i>Lazard</i>	62,984	0.3%	0.3%	0.94%	62,448	0.3%	0.3%	-17.39%	-16.61%	N/A	N/A	N/A
<i>Wellington</i>	60,774	0.3%	0.3%	1.42%	59,893	0.3%	0.3%	-17.35%	-16.17%	N/A	N/A	N/A
<i>Total Small Cap - Active</i>	123,758	0.6%	0.6%	1.18%	122,342	0.6%	0.6%	-17.37%	-16.40%	N/A	N/A	N/A
<i>SSB BROAD MARKET INDEX < \$2BN</i>				-0.90%				-15.30%	-16.07%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	566,472	2.8%	3.0%	6.03%	534,300	2.7%	3.0%	-20.31%	-15.50%	-10.49%	-2.94%	2.40%
<i>MSCI EAFE - 50% Hedged</i>				5.40%				-20.02%	-15.70%	-14.62%	-5.75%	0.27%
EMERGING MARKETS EQUITY												
<i>Capital Guardian</i>	279,113	1.4%	1.5%	6.94%	261,004	1.3%	1.5%	-16.68%	-10.89%	-5.69%	-5.69%	-6.04%
<i>MSCI Emerging Markets Free</i>				6.49%				-16.30%	-10.87%	1.30%	-6.34%	-8.42%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
<i>Western Asset</i>	1,440,354	7.1%	6.2%	-1.08%	1,454,876	7.3%	6.2%	3.66%	2.54%	8.87%	8.93%	8.26%
<i>Lehman Aggregate</i>				-0.46%				4.58%	4.10%	8.62%	8.10%	7.57%
<i>Active Duration</i>												
<i>Criterion</i>	1,425,033	7.0%	6.2%	-0.60%	1,433,995	7.2%	6.2%	2.57%	1.96%	6.00%	7.60%	7.09%
<i>Lehman Aggregate</i>				-0.46%				4.58%	4.10%	8.62%	8.10%	7.57%

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	October-02				September-02				Current	Prior Year	3 Years	5 Years
	Allocation				Allocation				Fiscal YTD	FY02	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Quarter Net ROR	Net ROR	Net ROR	6/30/2002 Net	6/30/2002 Net
Index												
Bank of ND	1,715,981	8.4%	8.4%	-0.81%	1,729,966	8.7%	8.4%	5.96%	5.10%	9.56%	8.03%	7.55%
Bank of ND Match Loan CD Program	325,069	1.6%	1.6%	0.48%	323,517	1.6%	1.6%	1.44%	1.93%	5.79%	5.86%	5.90%
Total Index	2,041,050	10.0%	10.0%	-0.51%	2,053,483	10.3%	10.0%	4.78%	4.25%	9.68%	7.81%	7.47%
<i>Lehman Gov/Corp</i>				-0.96%				5.70%	4.69%	8.24%	7.85%	7.47%
Convertibles												
TCW	1,325,302	6.5%	6.2%	3.38%	1,287,917	6.5%	6.2%	-9.90%	-6.85%	-21.20%	-2.06%	N/A
<i>First Boston Convertible Index</i>				2.85%				-8.56%	-5.95%	-12.44%	0.11%	N/A
BBB Average Quality												
Strong	1,401,500	6.9%	6.2%	-1.22%	1,420,976	7.2%	6.2%	0.39%	-0.84%	3.16%	6.83%	N/A
<i>Lehman BBB</i>				-1.18%				2.70%	1.49%	5.85%	4.75%	N/A
Timberland												
Evergreen (Wachovia)	1,067,705	5.2%	5.2%	3.30%	1,032,809	5.2%	5.2%	-0.22%	3.07%	N/A	N/A	N/A
										N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	8,700,944	42.6%	40.0%	0.27%	8,684,056	43.8%	40.0%	0.71%	0.99%	2.56%	6.70%	6.56%
<i>Lehman Aggregate</i>				-0.46%				4.58%	4.10%	8.62%	8.10%	7.57%
HIGH YIELD BONDS												
Western Asset	674,110	3.3%	3.5%	0.63%	669,890	3.4%	3.5%	-3.24%	-2.63%	-6.08%	-3.89%	4.16%
<i>Lehman High Yield Bond Index</i>				-0.87%				-2.93%	-3.77%	-3.60%	-2.31%	0.68%
INTERNATIONAL FIXED INCOME												
International Core												
UBS Global (Brinson)	477,325	2.3%	2.0%	-0.15%	477,897	2.4%	2.0%	2.39%	2.24%	16.83%	2.39%	2.43%
<i>Salomon Brothers Non-US Gov't Bond Index</i>				-0.18%				2.84%	2.65%	15.72%	3.14%	3.03%
REAL ESTATE												
J.P. Morgan	697,198			0.75%	691,206			1.64%	2.40%	4.10%	9.60%	11.72%
<i>NCREIF TOTAL INDEX</i>				0.55%				1.70%	2.26%	6.79%	9.41%	11.96%
ALTERNATIVE INVESTMENTS												
Coral Partners V	36,827			0.00%	39,745			-17.47%	-17.47%	-46.32%	-3.46%	N/A
Coral Partners V - Supplemental	2,387			0.00%	2,776			-14.17%	-14.17%	N/A	N/A	N/A
Coral Partners VI	2,804			N/A	2,299			N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	7,922			0.00%	8,116			-3.97%	-3.97%	-15.23%	8.66%	N/A
Brinson 1999 Partnership Fund	9,658			0.00%	9,171			-4.67%	-4.67%	-21.70%	-0.85%	N/A
Brinson 2000 Partnership Fund	13,606			0.00%	11,998			-6.93%	-6.93%	-14.95%	N/A	N/A
Brinson 2001 Partnership Fund	3,756			0.00%	3,848			-1.08%	-1.08%	-6.22%	N/A	N/A
Brinson 2002 Partnership Fund	2,533			0.00%	2,595			0.15%	0.15%	N/A	N/A	N/A
Total Brinson Partnership Funds	37,474			0.00%	35,727			-4.85%	-4.85%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	4,558			0.00%	4,310			12.07%	12.07%	-7.68%	-3.51%	N/A
Brinson 2000 Non-US Partnership Fund	3,347			0.00%	3,429			7.00%	7.00%	-6.51%	N/A	N/A
Brinson 2001 Non-US Partnership Fund	1,645			0.00%	1,685			-1.47%	-1.47%	-4.85%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	1,285			N/A	1,317			N/A	N/A	N/A	N/A	N/A
Total Brinson Non-US Partnership Fund	10,835			0.00%	10,741			6.90%	6.90%	N/A	N/A	N/A
Brinson BVCF IV	25,423			0.00%	26,045			-2.76%	-2.76%	-29.16%	-17.06%	N/A
Matlin Patterson Global Opportunities	33,663			N/A	34,487			N/A	N/A	N/A	N/A	N/A
InvestAmerica	3,366			0.00%	3,449			0.00%	0.00%	N/A	N/A	N/A
Hearthstone	16,779			0.00%	17,976			11.34%	11.34%	4.99%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS	169,560	0.8%	1.0%	0.00%	173,244	0.9%	1.0%	-7.09%	-7.09%	-28.86%	-4.14%	N/A
<i>Post Venture Capital Index</i>				10.64%				-22.64%	-14.41%	-44.30%	-26.03%	-6.83%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	229,679	1.1%	1.0%	0.05%	229,911	1.2%	1.0%	0.68%	0.74%	2.29%	4.72%	5.01%
<i>90 Day T-Bill</i>				0.15%				0.45%	0.60%	2.63%	4.67%	4.84%
TOTAL FUND	20,413,935	100.00%	100.00%	3.00%	19,847,023	100.00%	100.00%	-8.20%	-5.44%	-6.37%	-0.28%	4.94%
POLICY TARGET BENCHMARK				3.55%				-7.74%	-4.47%	-3.70%	0.50%	5.82%

NOTE: Monthly returns and market values are preliminary and subject to change.